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EXAMINER	
BORISSOV, IGOR N	
ART UNIT	**PAPER NUMBER**
3639	

DATE MAILED: 10/07/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)	
	09/945,469	LASALLE ET AL.	
	Examiner	Art Unit	
	Igor Borissov	3639	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *14 July 2005*.

2a)☒ This action is **FINAL**. 2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-44* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-44* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: _____.

DETAILED ACTION

Response to Amendment

Amendment received on 7/14/2005 is acknowledged and entered. Claims 1-44 have been amended. Claims 1-44 are currently pending in the application.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-44 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The claimed invention is not within the technological arts.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural

phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson,* 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. In re Toma at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.,* the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful,

concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, State Street never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

Contrary to the claims in the above-cited cases, in the present application, the claims are completely silent with regard to technology and is purely an abstract idea or process steps that are employed without the use of technology. As per method Claims 21-35, 42 and 43, the preamble of the independent Claims indicates that all steps are performed "*on* a computer", which is not the same as "*by* the computer". The method steps of "*sending by a first computer to a second computer an inquiry to an intermediate entity...*" may be understood as merely sending a file containing information regarding said inquiry without altering said information (file), which would constitute trivial use of technology. However, the claimed invention must utilize technology in a non-trivial manner (*Ex parte Bowman, 61 USPQ2d 1665, 1671 (Bd. Pat. App. & Inter. 2001)).* Although Bowman is not precedential, it has been cited for its analysis. The method step of "checking, by the first company, a trusted user list and determining if the second company is known to the first company" could be understood as if en employee going over the entries in a data structure (note book) to locate a familiar company.

Furthermore, in accordance with MPEP 2106 (IV)(B)(2)(b) "Statutory Process Claims", not all processes are statutory under 35 U.S.C. 101. *Schrader*, 22 F.3d at 296, 30 USPQ2d at 1460. To be statutory, a claimed computer related process must either: (A) result in a physical transformation outside the computer for which a practical application in the technological arts is either disclosed in the specification or would have been known to a skilled artisan, or (B) be limited to a practical application within the technological arts. See *Diamond v. Diehr*, 450 U.S. at 183-184, 209 USPQ at 6 (quoting *Cochrane v. Deener*, 94 U.S. 780, 787-788 (1877)). First, the claims in the present application do not recite use of a computer for transforming data from one form to another that would place the invention in the technological arts. Second, there does not appear to be any physical transformation of data. The claims merely determine a level of trust, which appears to be an arbitrary abstract thing and not a discrete value resulting from a calculation of certain parameters by a computer or processor.

As per Claims 1-20, 37-41 and 44, without reciting use of a computer, a computer-readable medium could be understood as merely cod per se written on a sheet of paper. In order to obviate Claim Rejections under 35 USC § 101 the examiner suggests the following language: "*A computer-readable medium containing program instructions for execution by a computer, which, when executed by the computer cause the computer to implement a method for..., comprising*:".

As to technological arts recited in the preamble, mere recitation in the preamble (i.e., intended or field of use) a network system, or mere implication of employing a machine or article of manufacture to perform some or all of the recited steps does not confer statutory subject matter to an otherwise abstract idea unless there is positive recitation in the claim as a whole to breathe life and meaning into the preamble.

Because the independently claimed invention is directed to an abstract idea which does not recite a limitation in the technological arts, those claims are not permitted under 35 USC 101 as being related to non-statutory subject matter. However, in order to consider those claims in light of the prior art, examiner will assume that those claims recite statutorily permitted subject matter.

Claim Rejections - 35 USC § 102

The following is a quotation of 35 U.S.C. 102(e) which forms the basis for all obviousness rejections set forth in this Office action:

> A person shall be entitled to a patent unless –
>
> (e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 1 and 44 are rejected under 35 U.S.C. 102(e) as being anticipated by Tarrant (US 2002/0128939).

Claims 1 and 44. Tarrant teaches a method for sharing investment information over a computer network, comprising:

receiving an inquiry from the seeking entity (receiving a request from a second user for data from relational database regarding the particular investment; said relational database includes investment data received from users identified as members of a hierarchy of sources organized by level of trustworthiness) [0018];

receiving a response indicating an existing relationship between the sought entity and an intermediate entity (in response to the request from the second user, transmitting the data from the relational database to a second user computer, wherein, absent to a request from a second user for data of a specific level of trustworthiness, the data transmitted comprise data from the users of the highest level of trustworthiness [0018]; [0021];

said response being indicative of a trust level (level of trustworthiness) of the sought entity and of a corresponding valuation criterion, the trust level being dependent on the corresponding valuation criterion (reliability of information) [0047];

enabling transmission of information between parties [0018]; [0021].

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

Claims 2-12, 21-24, 30, 35-36 and 42-43 are rejected under 35 U.S.C. 103(a) as being unpatentable over Tarrant in view of Krysiak et al. (US 2002/0078003).

Claims 21 and 23. Tarrant teaches a method for sharing investment information over a computer network, comprising:

sending by a first computer to a second computer an inquiry to an intermediate entity to determine if the intermediate entity has an existing relationship with the sought entity (receiving a request from a second user for data from relational database regarding the particular investment; said relational database includes investment data received from users identified as members of a hierarchy of sources organized by level of trustworthiness) [0018];

receiving by the first computer a response from the intermediate entity indicating an existing relationship between the sought entity and an intermediate entity (in response to the request from the second user, transmitting the data from the relational database to a second user computer, wherein, absent to a request from a second user for data of a specific level of trustworthiness, the data transmitted comprise data from the users of the highest level of trustworthiness [0018]; [0021];

said response being indicative of a trust level (level of trustworthiness) of the sought entity and of a corresponding valuation criterion, the trust level being dependent on the corresponding valuation criterion (reliability of information) [0047].

Tarrant does not explicitly teach establishing a business relationship with the sought entity based on the response.

Krysiak et al. teach a method for identifying information sources based on one or more trust networks associated with one or more knowledge domains, wherein a business relationship is established based upon an evaluation of trustworthy of a sought party [0014].

It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Tarrant to include establishing a business relationship with the sought entity based upon an evaluation of trustworthy of a sought party, as disclosed in Krysiak et al, because it would advantageously allow to engage business with an entity having most trusted path connection, (Krysiak et al. [0014]), thereby minimizing possible financial losses.

Claim 22. Tarrant teaches all the limitations of claim 22, except specifying the degree of separations between the entities.

Krysiak et al. teach said method for identifying information sources based on one or more trust networks associated with one or more knowledge domains, wherein the multiple path connections (degree of separation) is provided for identifying the most trusted path connection (Figs. 11-14; [0070] – [0076]).

It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Tarrant to include identifying multiple path connections for identifying the most trusted path connection, as disclosed in Krysiak et al, because it would advantageously allow to collect the most reliable/trusted information about sought entity.

Claim 24. Tarrant teaches a method for sharing investment information over a computer network, comprising:

receiving at a second entity a contact identifying first entity (receiving at the central server User 1 ID) [0045];

checking a list of trusted entities by the second entity to determine if the first entity is a trusted entity (central server compares User 1's ID to a list of user Ids mapped to trustworthiness hierarchy levels) [0045].

Tarrant does not specifically teach querying another computer if the first entity is not a trusted entity and specifying the predetermined degree of separations (between the entities). Tarrant also does not explicitly teach establishing a business relationship with the sought entity based on the response.

Krysiak et al. teach said method for identifying information sources based on one or more trust networks associated with one or more knowledge domains, wherein the multiple path connections (degree of separation) is provided for identifying the most trusted path connection (Figs. 11-14; [0070] – [0076]). Also, Krysiak et al. teach that a business relationship is established based upon an evaluation of trustworthy of a sought party [0014].

It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Tarrant to include identifying multiple path connections for identifying the most trusted path connection, as disclosed in Krysiak et al, because it would allow users to collect the most trusted information about sought entity. And it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Tarrant and Krysiak et al. to include establishing a business relationship with the sought entity based upon an evaluation of trustworthy of a sought party, as further disclosed in Krysiak et al, because it would advantageously allow to engage business with an entity having most trusted path connection, (Krysiak et al. [0014]), thereby minimizing possible financial losses.

Claim 42, Tarrant teaches said method, wherein each of trusted entities is associated with hierarchical levels of trustworthiness (which appears to have four levels: A, B, C and D), thereby indicating a predetermined minimum trust level [0045]; [0047].

Claims 30 and 2. Tarrant teaches a method for sharing investment information over a computer network, comprising:

receiving at a second entity a contact identifying first entity (receiving at the central server User 1 ID) [0045];

checking a list of trusted entities by the second entity to determine if the first entity is a trusted entity (central server compares User 1's ID to a list of user Ids mapped to trustworthiness hierarchy levels) [0045].

Tarrant does not specifically teach querying another computer if the first entity is not a trusted entity and specifying the predetermined degree of separations (between the entities). Tarrant also does not explicitly teach establishing a business relationship with the sought entity based on the response.

Krysiak et al. teach said method for identifying information sources based on one or more trust networks associated with one or more knowledge domains, wherein the multiple path connections (degree of separation) is provided for identifying the most trusted path connection (Figs. 11-14; [0070] – [0076]). Furthermore, the method steps disclosed in Krysiak et al. indicate continuity of the method. Also, Krysiak et al. teach that a business relationship is established based upon an evaluation of trustworthy of a sought party [0014].

It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Tarrant to include identifying multiple path connections for identifying the most trusted path connection, as disclosed in Krysiak et al, because it would allow users to collect the most trusted information about sought entity. And it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Tarrant and Krysiak et al. to include establishing a business relationship with the sought entity based upon an evaluation of trustworthy of a sought party, as further disclosed in Krysiak et al, because it would advantageously allow to engage business with an entity having most trusted path connection, (Krysiak et al. [0014]), thereby minimizing possible financial losses.

Claim 43, Tarrant teaches said method, wherein each of trusted entities is associated with hierarchical levels of trustworthiness (which appears to have four levels: A, B, C and D), thereby indicating a predetermined minimum trust level [0045]; [0047].

Claim 3, see reasoning applied to Claim 2.

Claims 4 and 5, Tarrant teaches that the network is the Internet [0026].

Claim 6, see reasoning applied to Claim 2.

Claims 7-12, see reasoning applied to Claim 2.

Claim 35. Tarrant teaches a method for sharing investment information over a computer network, comprising:

receiving at a second entity a contact identifying first entity (receiving at the central server User 1 ID) [0045];

checking a list of trusted entities by the second entity to determine if the first entity is a trusted entity (central server compares User 1's ID to a list of user Ids mapped to trustworthiness hierarchy levels) [0045].

Tarrant does not specifically teach querying another computer if the first entity is not a trusted entity and specifying the predetermined degree of separations (between the entities). Tarrant also does not explicitly teach establishing a business relationship with the sought entity based on the response.

Krysiak et al. teach said method for identifying information sources based on one or more trust networks associated with one or more knowledge domains, wherein the multiple path connections (degree of separation) is provided for identifying the most trusted path connection (Figs. 11-14; [0070] – [0076]). Furthermore, the method steps disclosed in Krysiak et al. indicate continuity of the method. Also, Krysiak et al. teach that a business relationship is established based upon an evaluation of trustworthy of a sought party [0014].

It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Tarrant to include identifying multiple path connections for identifying the most trusted path connection, as disclosed in Krysiak et al, because it would allow users to collect the most trusted information about sought entity. And it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Tarrant and Krysiak et al. to include establishing a business relationship with the sought entity based upon an evaluation of trustworthy of a sought party, as further disclosed in Krysiak et al, because it would advantageously allow to

engage business with an entity having most trusted path connection, (Krysiak et al. [0014]), thereby minimizing possible financial losses.

Furthermore, Tarrant and Krysiak et al. do not specifically teach forwarding a "Do You Know" query to further companies. Examiner points out that there is no indication in the specification that said feature ("Do You Know" query) provides the advantage over the prior art. Without such indication, it appears that the use of said query appears to be an obvious variation of business relationship inquiries.

Claim 36. Tarrant teaches a method for sharing investment information over a computer network, comprising:

receiving at a second entity a contact identifying first entity (receiving at the central server User 1 ID) [0045];

checking a list of trusted entities by the second entity to determine if the first entity is a trusted entity (central server compares User 1's ID to a list of user Ids mapped to trustworthiness hierarchy levels) [0045].

Tarrant does not specifically teach querying another computer if the first entity is not a trusted entity and specifying the predetermined degree of separations (between the entities). Tarrant also does not explicitly teach establishing a business relationship with the sought entity based on the response.

Krysiak et al. teach said method for identifying information sources based on one or more trust networks associated with one or more knowledge domains, wherein the multiple path connections (degree of separation) is provided for identifying the most trusted path connection (Figs. 11-14; [0070] – [0076]). Also, Krysiak et al. teach that a business relationship is established based upon an evaluation of trustworthy of a sought party [0014].

It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Tarrant to include identifying multiple path connections for identifying the most trusted path connection, as disclosed in Krysiak et al, because it would allow users to collect the most trusted information about sought entity. And it would have been obvious to one having ordinary skill in the art at the time the invention

was made to modify Tarrant and Krysiak et al. to include establishing a business relationship with the sought entity based upon an evaluation of trustworthy of a sought party, as further disclosed in Krysiak et al, because it would advantageously allow to engage business with an entity having most trusted path connection, (Krysiak et al. [0014]), thereby minimizing possible financial losses.

Claims 13-20, 25-29, 31-34, 37-39 and 40-41 are rejected under 35 U.S.C. 103(a) as being unpatentable over Tarrant and Krysiak et al. in view of Smith et al. (US 2002/0152086).

Claims 25-29 and 31-34. Tarrant and Krysiak et al. teach all the limitations of Claims 25-29 and 31-34, including a data base having a plurality of levels of trust (Tarrant; [0018]), except for plurality of entity roles, wherein each respective role in the plurality of roles defines a respective function that one entity fulfills to another entity.

Smith et al. teach a method and system for controlling a lifestyle of an electronic contract for a business relationship, wherein roles are associated with business relationship elements [0018].

It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Tarrant and Krysiak et al. to include associating roles with business relationship so that each respective role defines a respective function that one entity fulfills to another entity, as disclosed in Smith et al., because binding the business relationship to terms and conditions of a legal contract would advantageously increase the degree of trust of users in conducting business over the computer network (Smith et al. [0007]).

Claims 37, 13 and 17. Tarrant teaches a system for sharing investment information over a computer network, comprising:

a database having a plurality of levels of trust [0018].

Tarrant does not specifically teach the degree of separations between the entities, and a plurality of entity roles, wherein each respective role in the plurality of roles defines a respective function that one entity fulfills to another entity.

Krysiak et al. teach a system for identifying information sources based on one or more trust networks associated with one or more knowledge domains, wherein the multiple path connections (degree of separation) is provided for identifying the most trusted path connection (Figs. 11-14; [0070] – [0076]).

Smith et al. teach a system for controlling a lifestyle of an electronic contract for a business relationship, wherein roles are associated with business relationship elements [0018].

It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Tarrant to include identifying multiple path connections for identifying the most trusted path connection, as disclosed in Krysiak et al, because it would allow users to collect the most trusted information about sought entity.

And it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Tarrant and Krysiak et al. to include associating roles with business relationship so that each respective role defines a respective function that one entity fulfills to another entity, as disclosed in Smith et al., because it would increase the degree of trust of users in conducting business over the computer network using a mechanism that tie the business relationship to terms and conditions of a legal contract (Smith et al. [0007]).

Claims 14-16, 40 and 41, see reasoning applied to Claim 13.

Claims 18-20, see reasoning applied to Claim 17.

Claims 38-39, see reasoning applied to Claim 37.

Response to Arguments

Applicant's arguments filed 7/14/2005 have been fully considered but they are not persuasive.

In response to the applicant's argument that Claims as amended obviate Claims rejections under 35 USC § 101, it is noted that in accordance with MPEP 2106 (IV)(B)(2)(b) "Statutory Process Claims", not all processes are statutory under 35 U.S.C. 101. *Schrader*, 22 F.3d at 296, 30 USPQ2d at 1460. To be statutory, a claimed computer related process must either: (A) result in a physical transformation outside the computer for which a practical application in the technological arts is either disclosed in the specification or would have been known to a skilled artisan, or (B) be limited to a practical application within the technological arts. See *Diamond v. Diehr*, 450 U.S. at 183-184, 209 USPQ at 6 (quoting *Cochrane v. Deener*, 94 U.S. 780, 787-788 (1877)).

Claims in the present application do not recite use of a computer for transforming data from one form to another that would place the invention in the technological arts.

As per method Claims 21-35, 42 and 43, the preamble of the independent Claims indicates that all steps are performed "*on* a computer", which is not the same as "*by* the computer". The term "*on* a computer" could be understood as operator working at the computer, wherein not all method steps recited being performed by the computer per se, but could be performed, at least in part, by the computer user. The phrase "computer system" also could be understood as a computer network including a support personnel. In order to obviate the Claims rejections under 35 USC § 101, the examiner suggests to include into the preamble the following phrase: "wherein all steps are performed by the computer" or "wherein all steps are performed by the processor". The method steps of "*sending by a first computer to a second computer an inquiry to an intermediate entity...*" may be understood as merely sending a file containing information regarding said inquiry without altering said information (file), which would constitute trivial use of technology. However, the claimed invention must utilize technology in a non-trivial manner (*Ex parte Bowman, 61 USPQ2d 1665, 1671 (Bd. Pat. App. & Inter. 2001)).* Although Bowman is not precedential, it has been cited for its analysis.

In response to the applicant's argument that the prior art does not teach "valuation criterion", it is noted that Tarrant teaches that said response for the inquiry

being indicative of a trust level (level of trustworthiness) of the sought entity and of a corresponding valuation criterion, the trust level being dependent on the corresponding valuation criterion (reliability of information) [0047].

In response to the applicant's argument that the prior art does not teach querying, if the first entity is not a trusted entity and if there is an indication that trusted entities are permitted to forward requests to other trusted parties, and specifying a predetermined degree of separation, it is noted that Krysiak was applied for these feature. Specifically, Krysiak teaches that, during "trust search", if the first entity (Bob) has lower level of "trustworthiness" (self-evaluation) then the other party (Jane or Joe), the request is forwarded to said other parties with indicating a degree of separation [0070]; Figs. 10-14).

Conclusion

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Igor Borissov whose telephone number is 703-305-

4649. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss can be reached on 703-308-2702. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Igor Borissov
Patent Examiner
Art Unit 3639

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10/03/2005